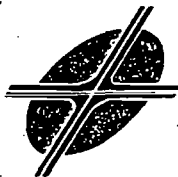


10-9-87
12.38 v.4

F. Misc Comm



ASH GROVE CEMENT WEST, INC.

Inter-Office Memorandum

Date October 9, 1987

To X J.W. Post

From K.J. Rone

Copies to _____ Subject Fuel and Lubricant Contract

In April you requested I contact Chevron USA, Inc., to negotiate a blanket purchase agreement for fuel oils and lubricants at the Ash Grove Cement West facilities. The attached letter indicates Chevron is not interested in quoting on this business.

The results of my survey have been attached for your review. It shows the Chevron equivalent for the products reported by the various facilities. I have two impressions concerning this data. First, lubricant grades and types are not as consistent plant to plant as one might expect, considering the generally similar equipment, environment and applications. Also, #2 diesel should be considered at the Durkee Plant in place of #1. #2 proves sufficient at Inkom and Montana at a cost saving of 10¢/gallon.

I appreciate the assistance of all the Plant staffs in compiling this information. Should you wish to pursue the survey further, please let me know.

KJR:wsh
- 12/21

USEPA SF



1261276

AGC2G000505



Chevron U.S.A. Inc.
P. O. Box 220, Seattle, WA 98111

October 2, 1987

Ashgrove Cement West, Inc.
Attn: Kenneth J. Rone, Jr.
3801 E. Marginal Way S.
Seattle, WA 98134

Dear Mr. Rone:

As per our phone discussion, Chevron will not bid at this time for your fuel and lubricant business on a house account basis as the total volume falls below the present amounts required to establish a house account. I recommend that you deal direct with the Chevron Jobbers in the respective areas.

Thank you for the opportunity to serve you direct. Please call if I can be of further assistance.

Very truly yours,

CHEVRON U.S.A. INC.

By *C. L. Anderson*
C. L. Anderson
Sales Rep-Wholesale
(206) 628-5285

CLA:jlt30

AGC2G000506